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Vietnam

LOCK-UP REPORT

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Report Highlights:

As of May 15, 2009, the latest Ministry of Agriculture and Rural Development data showed the decrease of harvested area in the central provinces due to adverse weather conditions. There was, however, an slightly increase of harvested area has off set the big loss in the central provinces. The total Vietnam MY 2008 rice production, due to the above changes in Spring crop, will be revise down from 35,898 thousand tons to 35,748 thousand tons of rice paddy.

Post:

Hanoi

Author Defined:

STATISTICAL TABLES

Table 1. Vietnam's Production, Supply and Demand for Rice

Rice, Milled Vietnam	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Jan 2008			Market Year Begin: Jan 2009			Market Year Begin: Jan 2010		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
			Data			Data			Data
Area Harvested	7,412	7,412	7,412	7,352	7,310	7,325	7,270	7,290	7,290
Beginning Stocks	1,392	1,392	1,392	2,018	2,018	2,018	1,761	1,843	1,662
Milled Production	24,375	24,376	24,376	23,693	23,775	23,594	23,760	23,795	23,795
Rough Production	36,932	36,933	36,933	35,898	36,023	35,748	36,000	36,053	36,053
Milling Rate (.9999)	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600
MY Imports	300	300	300	400	400	400	400	400	400
TY Imports	300	300	300	400	400	400	400	400	400
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0
Total Supply	26,067	26,068	26,068	26,111	26,193	26,012	25,921	26,038	25,857
MY Exports	4,649	4,650	4,650	5,200	5,200	5,200	5,000	5,000	5,000
TY Exports	4,649	4,650	4,650	5,200	5,200	5,200	5,000	5,000	5,000
Total Consumption	19,400	19,400	19,400	19,150	19,150	19,150	19,150	19,150	19,150
Ending Stocks	2,018	2,018	2,018	1,761	1,843	1,662	1,771	1,888	1,707
Total Distribution	26,067	26,068	26,068	26,111	26,193	26,012	25,921	26,038	25,857
Yield (Rough)	5.	5.	4.9829	5.	5.	4.8803	5.	5.	4.9455

PRODUCTION

Table 2. Vietnam's Area, Yield, and Production for Rough Rice (as of April 2009)

Marketing Year	2007 Revised		2008 Estimate		2009 Forecast	
Harvested Area (tha)	Old	New	Old	New	Old	New
Winter ¹	1,846	1,846	1,820	1,820	1,810	1,810
Spring ²	2,971	2,971	3,032	3,005	2,980	2,980
Autumn ³	2,595	2,595	2,500	2,500	2,500	2,500
TOTAL	7,412	7,412	7,352	7,325	7,290	7,290
Yield (mt/ha)						
Winter	4.29	4.29	4.22	4.22	4.25	4.25
Spring	5.83	5.83	5.58	5.58	5.70	5.70
Autumn	4.50	4.50	4.52	4.52	4.55	4.55
AVERAGE	4.99	4.99	4.88	4.88	4.94	4.94
Production (tmt)						
Winter	7,919	7,919	7,680	7,680	7,692	7,692
Spring	17,336	17,336	16,919	16,768	16,986	16,986
Autumn	11,678	11,678	11,300	11,300	11,375	11,375
TOTAL	36,933	36,933	35,898	35,748	36,053	36,053

¹ Lua Mua (10th Month), ² Winter-Spring, ³ Summer-Autumn

Source: MARD, Post estimates

Estimate for MY 2008 (MY began January 2009)

Spring Crop

As of May 15, 2009, the latest Ministry of Agriculture and Rural Development data showed the decrease of as much as 45,000 hectares of harvested area in the central provinces due to adverse weather conditions. In the Mekong River Delta, however, the increase of 18,000 hectares of harvested area has off set the big loss in the central provinces. The country total harvested area of Spring crop is thus revised down from 3,032 thousand hectares to 3,005 thousand hectares.

Autumn Crop

As of May 15, 2009, the total planting for Autumn crop was reported at about 1,344 thousand hectares, in which, the planting area of 1,192 thousand hectares was in the Mekong River Delta. The MARD planned of 1,600 thousand hectares for the main Autumn crop in the MRD, up 100 thousand hectares from MY 2007 main Autumn crop. The late Autumn crop, according to Post's estimate, however, will be 100 thousand hectares fewer than last late Autumn crop due to the expected unfavorable price of export rice by end of 2009. The estimate of the country total Autumn crop area, therefore, will be unchanged from Post's last Lockup estimate.

The total Vietnam MY 2008 rice production, due to the above changes in Spring crop, will be revise down from 35,898 thousand tons to 35,748 thousand tons of rice paddy.

Table 3. Rice Production in the Mekong Delta by Marketing Year

(000 ha; mt/ha; ,000 mt)

	2007 (Revised)			2008 (Estimate) (old)			2008 (Estimate) (new)		
	Area	Yield	Prod.	Area	Yield	Prod.	Area	Yield	Prod.
Winter	345	3.96	1,366	340	3.95	1,343	340	3.95	1,343
Spring	1,511	6.40	9,670	1,530	6.32	9,669	1,544	6.32	9,758
Autumn	2,056	4.56	9,375	2,000	4.55	9,100	2,000	4.55	9,100
Total	3,894		20,411	3,870		20,112	3,884		20,201

** Includes main Autumn and late Autumn*

Source: MARD, Post estimate

POLICY

Government tightens regulations on rice exporters

After a meeting on May 20 with agencies involved with rice exports, the Deputy Prime Minister has proposed several new changes in rice trade including considering rice export activity as a conditioned business. Licensed rice export entities must at least have a standardized storage system, transparent finances and sufficient reserves of rice in line with current regulations.

The Deputy also asked the Ministry of Industry and Trade to work with the relevant agencies to revise the current regulations on rice exports and to improve the supervision of export prices to prevent trade fraud and ensure that the fulfilling of contracts is centrally-controlled.

The revision of the current regulations on rice exports must be submitted to the PM for approval latest by the third quarter of the year.

End of Report